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Our Docket No.: 99-392 / 1496.00269

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

Applicant: Sandeep Jaggi

Application No.: 09/758,909

Examiner: Bui, T.

Filed: January 10, 2001

Art Group: 3628

For: METHOD AND APPARATUS FOR MANAGING ACCOUNTS
PAYABLE

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By: Mary Donna Berkley
Mary Donna Berkley

APPEAL BRIEF

Mail Stop - Appeal Brief Patents
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Dear Sir:

Appellant submits, in triplicate, the following Appeal Brief pursuant to 37 C.F.R. §1.192 for consideration by the Board of Patent Appeals and Interferences. Please charge \$330.00 to cover the cost of filing the opening brief as required by 37 C.F.R. §1.17(c) and any additional fees or credit any overpayment to Deposit Account Number 12-2252.

11/05/2003 AWONDAF1 00000072 122252 09758909
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I. REAL PARTY IN INTEREST

The real party in interest is the Assignee, LSI Logic Corporation.

II. RELATED APPEALS AND INTERFERENCES

There are no related appeals or interferences known to the Appellant, Appellant's legal representative, or Assignee which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

III. STATUS OF CLAIMS

Claims 1-4, 18-11 and 15-31 are pending and remain rejected. The Appellant hereby appeals the rejection of claims 1-4, 18-11 and 15-31.

IV. STATUS OF AMENDMENTS

Appellant is appealing a final Office Action issued by the Examiner on June 3, 2003. On September 3, 2003 the Appellants filed a Notice of Appeal.

V. SUMMARY OF INVENTION

The present invention concerns a method for operating a computer-based accounts payable system. The method generally comprising the steps of (a) receiving into the system (150) an approval for authorizing a particular billing code (page 33, step 7) of a first plurality of billing codes (601) each having a first budget amount (606) stored in a first database (600), (b) determining whether the particular billing code is present in a second database comprising a second plurality of

billing codes each having a second budget amount (page 34, step 14), (c) generating a communication from the system (page 34, step 17) authorizing the second budget amount associated with the particular billing code in response to the particular billing code matching one of the second plurality of billing codes (page 33, step 14) and (d) generating the communication (page 34, step 17) authorizing the first budget amount associated with the particular billing code in response to the particular billing code matching none of the second plurality of billing codes (page 33, step 14).

VI. ISSUES

The first issue is whether claims 1-4 and 8-11 are patentable under 35 U.S.C. §103(a) over Heckman et al. (hereafter Heckman), U.S. Patent No. 5,875,431.

The second issue is whether claims 15-25 and 30-31 are patentable under 35 U.S.C. §103(a) over Heckman in view of Giannini, U.S. Patent No. 5,915,241.

The third issue is whether claims 26-29 are patentable under 35 U.S.C. §103(a) over Heckman and Giannini in further view of Ensel et al. (hereafter Ensel), U.S. Patent No. 6,493,685.

VII. GROUPING OF CLAIMS

Appellant contends that the claims of the present invention do not stand or fall together. In particular, the following groups of claims are separately patentable:

- Group 1: Claims 1 and 2 stand together.
- Group 2: Claims 8 and 9 stand together.
- Group 3: Claims 21 and 22 stand together.
- Group 4: Claims 15 and 16 stand together.

Group 5: Claim 3 stands alone.
Group 6: Claim 26 stands alone.
Group 7: Claim 27 stands alone.
Group 8: Claim 28 stands alone.
Group 9: Claim 4 stands alone.
Group 10: Claim 10 stands alone.
Group 11: Claim 29 stands alone.
Group 12: Claim 11 stands alone.
Group 13: Claim 23 stands alone.
Group 14: Claim 24 stands alone.
Group 15: Claim 25 stands alone.
Group 16: Claim 31 stands alone.
Group 17: Claim 17 stands alone.
Group 18: Claim 18 stands alone.
Group 19: Claim 19 stands alone.
Group 20: Claim 20 stands alone.
Group 21: Claim 30 stands alone.

The claim(s) in each group is(are) separately patentable from the claim(s) in any other groups.

VIII. ARGUMENTS

A. 35 U.S.C. § 103

“[T]o establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by the applicants.”¹ “[T]he factual inquiry whether to combine references must be thorough and searching.”² “This factual question ... [cannot] be resolved on subjective belief and unknown authority.”³ “It must be based on objective evidence of record.”⁴ The Examiner must show that (a) there is some suggestion or motivation, either in the references or in the knowledge generally available to one of ordinary skill in the art, to modify or combine the references, (b) there is a reasonable expectation of success, and (c) the prior art reference (or combination of references) teaches or suggests all of the claim limitations as arranged in the claims.⁵ Furthermore, The Court of Appeals for the Federal Circuit has indicated that the requirement for showing the teaching of motivation to combine references is “rigorous” and must be “clear and particular”.⁶

¹ *In re Kotzab*, 217 F.3d 1365, 1370, 55 USPQ2d 1313, 1316 (Fed. Cir. 2000) (citing *In re Dance*, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998); *In re Gordon*, 733 F.2d 900, 902, 221 USPQ 1125, 1127 (Fed. Cir. 1984)).

² *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52, 60 USPQ2d 1001, 1008 (Fed. Cir. 2001).

³ *In re Lee*, 277 F.3d 1338, 1343-44, 61 USPQ2d 1430, 1434 (Fed. Cir. 2002).

⁴ *Id.* at 1343, 61 USPQ2d at 1434.

⁵ Manual of Patent Examining Procedure (M.P.E.P.), Eighth Edition, Revised February 2003 §2142.

⁶ *In re Anita Dembiczak and Benson Zinbarg*, 50 U.S.P.Q.2d 1614 (Fed. Cir. 1999).

Selected groupings of the claims are each patentable over Heckman, Giannini and Ensel

1. Group 1 (claims 1 and 2) is fully patentable over Heckman

The claims of group 1 provide a step of receiving into a system an approval for authorizing a particular billing code of a first plurality of billing codes. Despite the assertion by the Examiner, (i) FIG. 2, (ii) column 8, line 64 thru column 9, line 5, (iii) column 12, lines 40-45, (iv) column 14, lines 18-22, (v) column 15, line 59 thru column 16, line 13, (vi) column 18, lines 35-61, (vii) column 20, lines 5-17 and (viii) column 21, lines 21-23 of Heckman appear to be silent regarding receiving an approval for authorizing a particular billing code. The text cited by the Examiner reads:

E. Staffing for Case.

Members of the defense team and their functional roles are identified here, including a brief statement acknowledging any case-specific instructions or constraints from the client or the claims professional. Identifying the staff facilitates planning in terms of who is authorized to submit billing charges against the case, as well as permitting the calculation of workload and blended cost targets for each activity undertaken to complete the objectives and tasks defined by the strategic plan.⁷

The computer system, comprising hardware and software, is a depository for the baseline templates, compares the legal billing data to the activity and cost targets identified in the Strategic Plan, identifies variances to the plan, and determines the source of the variances.⁸

2. A cost control system, whereby the costs associated with the completion of each objective or milestone task are monitored and compared to the budgeted or target cost;⁹

Merging the case specific data with the legal or litigation baseline templates to provide a baseline strategic forecast having external or internal cost standards, for example task-based hourly regional averages established by regional counsel;

Tracking and reporting of legal tasks completed, actual costs, and deliverables produced;

Creation and identification of legal indicators and benchmarks; and

Providing easily accessible cost and performance data in graphical or tabular formats.

The structure of the DefenseNet program will enable executives and legal or claims managers to selectively access information and reports on individual cases and ranges of legal or litigation exposure in a format that enhances decision-making. Claims and legal personnel for the general counsel, business executives and

⁷ Heckman, column 8, line 63 thru column 9, line 5.

⁸ Heckman, column 12, lines 40-45.

⁹ Heckman, column 14, lines 18-22.

financial officers can access data in a format matched to their function and to their needs. As a national network, lawyers and clients can simultaneously work on the same case data, or download DefenseNet program features for operation on a local PC or network.¹⁰

Cost Management

A major element of the system and process of this invention is the cost management and control capability. The closed-loop cost management control system of this invention is responsive to the long stated need for an understandable, manageable legal cost accounting system. The elements of the cost accounting aspects of the invention includes:

- Identification of the key tasks that make up the legal process;

- Negotiation with the law firm of expected hourly ranges for key tasks;

- Assigning cost targets to each;

- Identify and approve personnel allocated to the case or matter;

- Translation of a law firm's existing billing codes into CostCore codes and assigning to each key task a billing code;

- Reports to client and law firm on performance.

- Monitoring actual costs and identifying deviations (variance) from the budgeted cost;

- Assigning ownership of the cost variances and providing a solution to correct the variance; and

- Redefining the cost targets where the variance was due to an initial inaccurate estimate.¹¹

Each law firm that participates in the DefenseNet program must be characterized so that basis may exist for selecting a particular law firm to represent a client. Accordingly, law firm information 6 including type of practice (plaintiff, defendant, or transactional), levels of expertise, billing rates, areas of practice and experience, as well as demographic variables such as location of the firm and jurisdiction is downloaded into the CostCore database. Note that downloading means 7, as well as uploading means 8 and 9, of information into the CostCore database may be effected by any means convenient to the administration of the database, including: electronic file transfers, keyboard, floppy disks, removable hard disks, and optical CD-ROMs, and the like.¹²

2) a cost control system 15 wherein compliance with the cost targets and budget is monitored;¹³

Nowhere in the above text, or in any other section, does Heckman appear to indicate that a system receives an approval for authorizing a particular billing code. **Identifying who** is authorized to submit billing charges does not teach or suggest **receiving an approval** for authorizing a particular billing code. Therefore, Heckman does not appear to teach or suggest a step of receiving into a

¹⁰ Heckman, column 15, line 59 thru column 16, line 13.

¹¹ Heckman, column 18, lines 34-61.

¹² Heckman, column 20, lines 5-17.

¹³ Heckman, column 21, lines 21-23.

system an approval for authorizing a particular billing code of a first plurality of billing codes as presently claimed.

The claims of group 1 further provide a step of determining whether the particular billing code is present in a second database. In contrast, the Examiner has admitted that Heckman does not explicitly mention a second database.¹⁴ Furthermore, the Examiner has not provided evidence of motivation to add a second database to the system of Heckman. Assuming, *arguendo*, that it would have been obvious to add a second database to Heckman as suggested by the Examiner¹⁵ (for which Appellant's representative does not necessarily agree), the Examiner still has not shown that the modified Heckman teaches or suggests a step of determining if a particular billing is present in the second database. Therefore, Heckman, alone or modified as suggested by the Examiner, does not appear to teach or suggest a step of determining whether a particular billing code is present in a second database as presently claimed.

The claims of group 1 further provide steps of generating a communication authorizing a first budget amount (step d) or a second budget amount (step c) associated with the particular billing code. In contrast, Heckman appears to be silent regarding generation of a communication authorizing a budget amount. Furthermore, the Examiner has not provided any evidence that Heckman teaches or suggests generating the communication with the first budget amount or the second budget amount. Therefore, Heckman, alone or modified as suggested by the Examiner, does not appear to teach or suggest the steps of generating a communication authorizing

¹⁴ Office Action, June 3, 2003, page 2, section 2, lines 8-10.

¹⁵ Office Action, June 3, 2003, page 2, section 2, line 12 thru page 3, line 2.

a first budget amount or a second budget amount associated with a particular billing code as presently claimed.

The claims of group 1 further provide generating the communication in response to the particular billing code matching none (step d) or one (step c) of a second plurality of codes. In contrast, the Examiner has admitted that Heckman does not mention a particular budget amount associated with a particular billing code in response to the particular billing code matching none/one of another plurality of codes.¹⁶ Furthermore, the Examiner has not provided any evidence of motivation to add a capability to the system of Heckman that attempts to match a particular billing code with a plurality of billing codes. The fact that references can be combined or modified is not sufficient to establish *prima facie* obviousness.¹⁷ Therefore, Heckman does not appear to teach or suggest the steps of generating a communication in response to a particular billing code matching none or one of a second plurality of codes as presently claimed.

In summary, the Examiner has failed to establish *prima facie* obviousness for lack of evidence that Heckman, alone or modified as suggested by the Examiner, teaches or suggests every element as presently claimed. In particular, the Examiner appears to argue that only claim step “a” is taught by Heckman while admitting that the other three claim steps “b”, “c” and “d” are not fully taught by Heckman. However, the Examiner has failed to provide any evidence of motivation to modify Heckman to account for the admitted deficiencies. As such, the claimed invention is fully patentable over the cited reference and the rejection should be reversed.

¹⁶ Office Action, June 3, 2003, page 3, lines 3-5.

¹⁷ M.P.E.P. Eighth Edition, Revised February 2003, §1243.01.

2. Group 2 (claims 8 and 9) is fully patentable over Heckman

The claims of group 2 provide a means for receiving an approval comprising a particular billing code of a first plurality of billing codes. Despite the assertion by the Examiner, (i) FIG. 2, (ii) column 8, line 64 thru column 9, line 5, (iii) column 12, lines 40-45, (iv) column 14, lines 18-22, (v) column 15, line 59 thru column 16, line 13, (vi) column 18, lines 35-61, (vii) column 20, lines 5-17 and (viii) column 21, lines 21-23 of Heckman appear to be silent regarding receiving an approval having a particular billing code. The text cited by the Examiner reads:

E. Staffing for Case.

Members of the defense team and their functional roles are identified here, including a brief statement acknowledging any case-specific instructions or constraints from the client or the claims professional. Identifying the staff facilitates planning in terms of who is authorized to submit billing charges against the case, as well as permitting the calculation of workload and blended cost targets for each activity undertaken to complete the objectives and tasks defined by the strategic plan.¹⁸

The computer system, comprising hardware and software, is a depository for the baseline templates, compares the legal billing data to the activity and cost targets identified in the Strategic Plan, identifies variances to the plan, and determines the source of the variances.¹⁹

2. A cost control system, whereby the costs associated with the completion of each objective or milestone task are monitored and compared to the budgeted or target cost;²⁰

Merging the case specific data with the legal or litigation baseline templates to provide a baseline strategic forecast having external or internal cost standards, for example task-based hourly regional averages established by regional counsel;

Tracking and reporting of legal tasks completed, actual costs, and deliverables produced;

Creation and identification of legal indicators and benchmarks; and

Providing easily accessible cost and performance data in graphical or tabular formats.

The structure of the DefenseNet program will enable executives and legal or claims managers to selectively access information and reports on individual cases and ranges of legal or litigation exposure in a format that enhances decision-making. Claims and legal personnel for the general counsel, business executives and financial officers can access data in a format matched to their function and to their needs. As a national network, lawyers and clients can simultaneously work on the same case data, or download DefenseNet program features for operation on a local PC or network.²¹

¹⁸ Heckman, column 8, line 63 thru column 9, line 5.

¹⁹ Heckman, column 12, lines 40-45.

²⁰ Heckman, column 14, lines 18-22.

²¹ Heckman, column 15, line 59 thru column 16, line 13.

Cost Management

A major element of the system and process of this invention is the cost management and control capability. The closed-loop cost management control system of this invention is responsive to the long stated need for an understandable, manageable legal cost accounting system. The elements of the cost accounting aspects of the invention includes:

- Identification of the key tasks that make up the legal process;
- Negotiation with the law firm of expected hourly ranges for key tasks;
- Assigning cost targets to each;
- Identify and approve personnel allocated to the case or matter;
- Translation of a law firm's existing billing codes into CostCore codes and assigning to each key task a billing code;
- Reports to client and law firm on performance.
- Monitoring actual costs and identifying deviations (variance) from the budgeted cost;
- Assigning ownership of the cost variances and providing a solution to correct the variance; and
- Redefining the cost targets where the variance was due to an initial inaccurate estimate.²²

Each law firm that participates in the DefenseNet program must be characterized so that basis may exist for selecting a particular law firm to represent a client. Accordingly, law firm information 6 including type of practice (plaintiff, defendant, or transactional), levels of expertise, billing rates, areas of practice and experience, as well as demographic variables such as location of the firm and jurisdiction is downloaded into the CostCore database. Note that downloading means 7, as well as uploading means 8 and 9, of information into the CostCore database may be effected by any means convenient to the administration of the database, including: electronic file transfers, keyboard, floppy disks, removable hard disks, and optical CD-ROMs, and the like.²³

2) a cost control system 15 wherein compliance with the cost targets and budget is monitored;²⁴

Nowhere in the above text, or in any other section, does Heckman appear to indicate a structure for receiving an approval comprising a particular billing code. **Identifying who** is authorized to submit billing charges does not teach or suggest **a structure receiving an approval** for authorizing a particular billing code. Therefore, Heckman does not appear to teach or suggest a means for receiving an approval comprising a particular billing code of a first plurality of billing codes as presently claimed.

The claims of group 2 further provide a means for determining whether the particular billing code is present in a second database. In contrast, the Examiner has admitted that Heckman

²² Heckman, column 18, lines 34-61.

²³ Heckman, column 20, lines 5-17.

²⁴ Heckman, column 21, lines 21-23.

does not explicitly mention a second database.²⁵ Furthermore, the Examiner has not provided evidence of motivation to add a second database to the system of Heckman. Assuming, *arguendo*, that it would have been obvious to add a second database to Heckman as suggested by the Examiner²⁶ (for which Appellant's representative does not necessarily agree), the Examiner still has not shown that the modified Heckman teaches or suggests a structure for determining if a particular billing is present in the second database. Therefore, Heckman, alone or modified as suggested by the Examiner, does not appear to teach or suggest a means for determining whether a particular billing code is present in a second database as presently claimed.

The claims of group 2 further provide means for authorizing a first budget amount (4th means) or a second budget amount (3rd means) associated with the particular billing code. In contrast, Heckman appears to be silent regarding structures authorizing a budget amount. Furthermore, the Examiner has not provided any evidence that Heckman teaches or suggests means for authorizing the first budget amount or the second budget amount. Therefore, Heckman, alone or modified as suggested by the Examiner, does not appear to teach or suggest means for authorizing a first budget amount or a second budget amount associated with a particular billing code as presently claimed.

The claims of group 2 further provide authorizing in response to the particular billing code matching none (4th means) or one (3rd means) of a second plurality of codes. In contrast, the Examiner has admitted that Heckman does not mention a particular budget amount associated with a particular billing code in response to the particular billing code matching none/one of another

²⁵ Office Action, June 3, 2003, page 2, section 2, lines 8-10.

²⁶ Office Action, June 3, 2003, page 2, section 2, line 12 thru page 3, line 2.

plurality of codes.²⁷ Furthermore, the Examiner has not provided any evidence of motivation to add structure to the system of Heckman that attempts to match a particular billing code with a plurality of billing codes. The fact that references can be combined or modified is not sufficient to establish *prima facie* obviousness.²⁸ Therefore, Heckman does not appear to teach or suggest means for authorizing budget amounts in response to a particular billing code matching none or one of a second plurality of codes as presently claimed.

In summary, the Examiner has failed to establish *prima facie* obviousness for lack of evidence that Heckman, alone or modified as suggested by the Examiner, teaches or suggests every element as presently claimed. In particular, the Examiner appears to argue that only the first claim means for element is taught by Heckman while admitting that the other three claimed means for elements are not fully taught by Heckman. However, the Examiner has failed to provide any evidence of motivation to modify Heckman to account for the admitted deficiencies. As such, the claimed invention is fully patentable over the cited reference and the rejection should be reversed.

3. Group 3 (claims 21 and 22) is fully patentable over Heckman and Giannini

The claims of group 3 provide a step of receiving into a system a bill comprising a billing code and a billing amount associated with the billing code. In contrast, the Examiner has admitted that neither Heckman nor Giannini mention receiving a bill having a billing code and an associated billing amount.²⁹ Instead, the Examiner appears to assert that combining the references

²⁷ Office Action, June 3, 2003, page 3, lines 3-5.

²⁸ M.P.E.P. Eighth Edition, Revised February 2003, §1243.01.

²⁹ Office Action, June 3, 2003, page 4, section 3, lines 4-5.

would somehow make the step of receiving suddenly obvious, even through neither reference teaches such a step. Furthermore, the Examiner has not provided any evidence of motivation to add a receiving capability to the proposed combination. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a step of receiving into a system a bill comprising a billing code and a billing amount associated with the billing code as presently claimed.

The claims of group 3 further provide a step of determining an authorized amount associated with the billing code from a database. In contrast, both Heckman and Giannini appear to be silent regarding a step of authorizing. Furthermore, the Examiner's statement, "Heckman et al. have all the features of the invention" is merely a conclusory statement and not evidence.³⁰ Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a step of determining an authorized amount associated with a billing code from a database as presently claimed.

The claims of group 3 further provide a step of generating an approval from the system for payment of the billing amount in response to the billing amount not exceeding the authorized amount. In contrast, both Heckman and Giannini appear to be silent regarding a step of generating an approval for payment. Furthermore, the Examiner's statement, "Heckman et al. have all the features of the invention" is merely a conclusory statement and not evidence.³¹ Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a step of generating an approval from a system for payment of a billing amount in response to the billing amount not exceeding an authorized amount as presently claimed.

³⁰ Office Action, June 3, 2003, page 4, section 3, lines 3-4.

³¹ Office Action, June 3, 2003, page 4, section 3, lines 3-4.

The Examiner has failed to establish *prima facie* obviousness for lack of evidence of motivation to combine Heckman with Giannini. The Examiner has asserted that “[i]t would have been obvious” to make the combination.³² However, the Examiner’s assertion, with nothing more, is merely a conclusory statement. Furthermore, the fact that references can be combined or modified is not sufficient to establish *prima facie* obviousness.³³ Therefore, no motivation has been established to combine the references,

In summary, the Examiner has failed to establish *prima facie* obviousness for lack of evidence that Heckman and Giannini, alone or in combination, teach or suggest every claim element. For example, the Examiner admits that both references fail to teach a step of receiving a bill, yet concludes that a combination of the references would somehow make the receiving step obvious. Furthermore, the Examiner has not shown any evidence of motivation to combine the references. As such, the claimed invention is fully patentable over the cited references and the rejection should be withdrawn.

4. Group 4 (claims 15 and 16) is fully patentable over Heckman and Giannini

The claims of group 4 provide a means for receiving a bill comprising a billing code and a billing amount associated with the billing code. In contrast, the Examiner has admitted that neither Heckman nor Giannini mention receiving a bill having a billing code and an associated billing amount.³⁴ Instead, the Examiner appears to assert that combining the references would

³² Office Action, June 3, 2003, page 4, section 3, line 8.

³³ M.P.E.P. Eighth Edition, Revised February 2003, §1243.01.

³⁴ Office Action, June 3, 2003, page 4, section 3, lines 4-5.

somehow make a structure for receiving suddenly obvious, even through neither reference teaches such a structure. Furthermore, the Examiner has not provided any evidence of motivation to add a receiving structure to the proposed combination. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for receiving into a system a bill comprising a billing code and a billing amount associated with the billing code as presently claimed.

The claims of group 4 further provide a means for determining an authorized amount associated with the billing code from a database. In contrast, both Heckman and Giannini appear to be silent regarding an authorizing structure. Furthermore, the Examiner's statement, "Heckman et al. have all the features of the invention" is merely a conclusory statement and not evidence.³⁵ Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for determining an authorized amount associated with a billing code from a database as presently claimed.

The claims of group 4 further provide a means for approving payment of the billing amount in response to the billing amount not exceeding the authorized amount. In contrast, both Heckman and Giannini appear to be silent regarding a structure for approving payment. Furthermore, the Examiner's statement, "Heckman et al. have all the features of the invention" is merely a conclusory statement and not evidence.³⁶ Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for approving payment of a billing amount in response to the billing amount not exceeding an authorized amount as presently claimed.

³⁵ Office Action, June 3, 2003, page 4, section 3, lines 3-4.

³⁶ Office Action, June 3, 2003, page 4, section 3, lines 3-4.

The Examiner has failed to establish *prima facie* obviousness for lack of evidence of motivation to combine Heckman with Giannini. The Examiner has asserted that “[i]t would have been obvious” to make the combination.³⁷ However, the Examiner’s assertion, with nothing more, is merely a conclusory statement. Furthermore, the fact that references can be combined or modified is not sufficient to establish *prima facie* obviousness.³⁸ Therefore, no motivation has been established to combine the references,

In summary, the Examiner has failed to establish *prima facie* obviousness for lack of evidence that Heckman and Giannini, alone or in combination, teach or suggest every claim element. For example, the Examiner admits that both references fail to teach a structure for receiving a bill, yet concludes that a combination of the references would somehow make the structure obvious. Furthermore, the Examiner has not shown any evidence of motivation to combine the references. As such, the claimed invention is fully patentable over the cited references and the rejection should be withdrawn.

5. Group 5 (claim 3) is fully patentable over Heckman

Claim 3 depends indirectly from the claim 1 and thus contains all of the limitations of the claim 1. Consequently, the arguments presented above in support of the patentability of claim 1 (group 1) are incorporated hereunder in support of group 5.

Claim 3 provides a step of generating an authorization form for a task before determining whether the particular billing code is present in a second database. In contrast,

³⁷ Office Action, June 3, 2003, page 4, section 3, line 8.

³⁸ M.P.E.P. Eighth Edition, Revised February 2003, §1243.01.

Heckman appears to be silent regarding generation of an authorization form. Furthermore, the Examiner has not provided any evidence that Heckman teaches or suggests generating an authorization form. Therefore, Heckman, alone or modified as suggested by the Examiner, does not appear to teach or suggest a step of generating an authorization form for a task before determining whether a particular billing code is present in a second database as presently claimed. As such, claim 3 is fully patentable over the cited reference and the rejection should be reversed.

6. Group 6 (claim 26) is fully patentable over Heckman, Giannini and Ensel

Claim 26 depends from the claim 3 and thus contains all of the limitations of the claim 3. Consequently, the arguments presented above in support of the patentability of claim 3 (group 5) are incorporated hereunder in support of group 6.

Claim 26 provides a step of calculating a due date for completion of a task. Despite the assertion by the Examiner that column 10, lines 21-56 of Ensel discuss an electronic bill having a due date, Heckman, Giannini and Ensel each appear to be silent regarding calculating a due date.

The text cited by the Examiner states:

The Enrollment database 205 contains all of the information relevant to the customers 80 of the biller 5. Examples of the type of information included in Enrollment database 205 includes, but is not limited to: customer name, biller account number, address, home phone, office phone, fax number, pager number, social security number, date of birth, maiden name, a 'password'; a preferred presentment vehicle (channel of distribution) and alternate presentment vehicles; customer presentment preferences (e.g., present my bill as soon as available, at the end of month, exception presentment (only present my bill if dollar amount exceeds a limit, otherwise automatically pay the bill, generate a paper bill if condition X occurs . . .)); presentment configuration data (e.g., Email address, Email system/protocol, browser type and version . . .); bill format preferences (e.g., send me summary only, partial details, full details . . .); **reminder preferences** (e.g., as soon as possible, at end of month, 5 days before due date, **on due date**, 5 day late, no reminder . . .); reminder channel (e.g., email, paper mail, fax, phone call, beeper . . .); preferred payment mechanism, a plurality of (e.g., nine) alternate payment mechanisms (i.e., IIP 20 needs to know all the payment options with respect to the client); **payment preferences** (e.g., preauthorized, **on due date**, at end of month, full or fixed amount, automatic within limit); and solicitation preferences (e.g., no solicitations, by industry (airlines, investments, . . .); balance information (provided by a bank), credit limits (defined by the issuer) and other limits (defined by the customer 80).

The structure and content of the Summary file 210 and the E-Bill file 215 varies from biller to biller. The Summary file includes the highest level representation of the customer's bill. Examples of the type of data included in the Summary file 210 are the customer's name, account number, location (address) of the bill destination, account balance, current amount due, amount past due, and minimum due.³⁹ (Emphasis added)

Nowhere in the above text, or in any other section, does Ensel appear to discuss calculating a due date. Ensel mentions an Enrollment database 205 storing reminder preferences and payment preferences including a due date, but appears to be silent regarding calculation of the due date. Therefore, Heckman, Giannini and Ensel, alone or in combination, do not appear to teach or suggest a step of calculating a due date for completion of a task as presently claimed.

Furthermore, the Examiner has failed to establish *prima facie* obviousness for lack of evidence of motivation to combine the references. The Examiner's assertion that "[i]t would have been obvious" to combine the references is merely a conclusory statement and not evidence.⁴⁰ As such, claim 26 is fully patentable over the cited references and the rejection should be withdrawn.

7. Group 7 (claim 27) is fully patentable over Heckman, Giannini and Ensel

Claim 27 depends from the claim 26 and thus contains all of the limitations of the claim 26. Consequently, the arguments presented above in support of the patentability of claim 26 (group 6) are incorporated hereunder in support of group 7.

Claim 27 provides a step of automatically sending an authorization form with the due date to a selected firm. In contrast, Heckman, Giannini and Ensel each appear to be silent regarding automatically sending authorization forms. Furthermore, the Examiner has not provided any evidence that Heckman, Giannini and/or Ensel teach or suggest automatically sending an

³⁹ Ensel, column 10, lines 21-56.

⁴⁰ Office Action, June 3, 2003, page 5, section 4, line 6.

authorization form. Therefore, Heckman, Giannini and Ensel, alone or in combination, do not appear to teach or suggest a step of automatically sending an authorization form with a due date to a selected firm as presently claimed. As such, claim 27 is fully patentable over the cited references and the rejection should be reversed.

8. Group 8 (claim 28) is fully patentable over Heckman, Giannini and Ensel

Claim 28 depends from the claim 27 and thus contains all of the limitations of the claim 27. Consequently, the arguments presented above in support of the patentability of claim 27 (group 7) are incorporated hereunder in support of group 8.

Claim 28 provides a step of entering one of a first budget amount and a second budget amount into a third database. In contrast, Heckman, Giannini and Ensel each appear to be silent regarding entering budget amounts into a third database. Furthermore, the Examiner has not provided any evidence that Heckman, Giannini and/or Ensel teach or suggest entering budget amounts into a third database. Therefore, Heckman, Giannini and Ensel, alone or in combination, do not appear to teach or suggest a step of entering one of a first budget amount and a second budget amount into a third database as presently claimed. As such, claim 28 is fully patentable over the cited references and the rejection should be reversed.

9. Group 8 (claim 4) is fully patentable over Heckman

Claim 4 depends from the claim 1 and thus contains all of the limitations of the claim 1. Consequently, the arguments presented above in support of the patentability of claim 1 (group 1) are incorporated hereunder in support of group 9.

Claim 4 provides a step of receiving a selection of a firm associated with a second budget database prior to determining whether the particular billing code is present in the second database. In contrast, the Examiner has admitted that Heckman does not teach a means for receiving a selection of a firm associated with the second database prior to determining whether the particular billing code is present in the second database.⁴¹ Furthermore, the Examiner has not provided any evidence of motivation to modify Heckman to add a capability for receiving a selection. Despite the assertion by the Examiner, column 4, line 60 thru column 5, line 33 of Heckman appears to be silent regarding a means for selecting a firm. The text cited by the Examiner reads:

Accordingly, it is an object of this invention to provide a closed-loop strategic planning system with the advantage of maximizing the likelihood of a desired legal outcome in connection with a legal action.

It is another object of this invention to provide a closed-loop cost management and control system for measuring and controlling legal costs associated with a legal action with the advantage that it is easily understood and tracked by the purchaser of the legal services, the cost control system being integral to the closed-loop strategic planning system and working in cooperation with the strategic planning system.

It is another object of this invention to provide a closed-loop litigation control system for measuring and controlling the timely completion of the objectives and tasks identified by the strategic planning system with the advantage of ensuring that all predetermined objectives and tasks are completed on schedule.

It is another object and advantage of this invention to provide a closed-loop legal performance control system to assess the quality of deliverables previously identified with and correlated to the completion of the predetermined objectives and tasks identified by the strategic planning system of this invention, the assessment being made by comparing the deliverables produced to benchmarks.

It is another object and advantage of this invention to provide a computer system having encoded therein a software program for enabling an iterative, interactive closed-loop legal strategic planning system to produce a legal strategic plan to maximize the likelihood of attaining the desired outcome to the case, and for establishing closed-loop control systems for controlling the timely completion of legal objectives and tasks, for controlling costs associated with the completion of these objectives and tasks, and for controlling the quality of deliverables resulting from the completion of these objectives and tasks.

It is another object of this invention to provide a method for strategically planning the objectives, tasks, and activities associated with a legal action so that the likelihood of the desired outcome of such legal activity is maximized and the cost of achieving the desired outcome is minimized.⁴²

Nowhere in the above text, or in any other section, does Heckman appear to mention a step of receiving a selection of a firm associated with a database. Therefore, the Examiner has failed to

⁴¹ Office Action, June 3, 2003, page 3, lines 13-15.

⁴² Heckman, column 4, line 60 thru column 5, line 33.

establish *prima facie* obviousness for lack of evidence to modify the reference. As such, claim 4 is fully patentable over the cited references and the rejection should be reversed.

10. Group 10 (claim 10) is fully patentable over Heckman

Claim 10 depends indirectly from the claim 8 and thus contains all of the limitations of the claim 8. Consequently, the arguments presented above in support of the patentability of claim 8 (group 2) are incorporated hereunder in support of group 10.

Claim 10 provides a means for generating an authorization form for a task. In contrast, Heckman appears to be silent regarding generation of an authorization form. Furthermore, the Examiner has not provided any evidence that Heckman teaches or suggests a structure for generating an authorization form. Therefore, Heckman, alone or modified as suggested by the Examiner, does not appear to teach or suggest a means for generating an authorization form for a task as presently claimed. As such, claim 10 is fully patentable over the cited reference and the rejection should be reversed.

11. Group 11 (claim 29) is fully patentable over Heckman, Giannini and Ensel

Claim 29 depends from the claim 10 and thus contains all of the limitations of the claim 10. Consequently, the arguments presented above in support of the patentability of claim 10 (group 10) are incorporated hereunder in support of group 11.

Claim 29 provides a means for calculating a due date for completion of a task. Despite the assertion by the Examiner that column 10, lines 21-56 of Ensel discuss an electronic bill

having a due date, Heckman, Giannini and Ensel each appear to be silent regarding calculating a due date. The text cited by the Examiner states:

The Enrollment database 205 contains all of the information relevant to the customers 80 of the biller 5. Examples of the type of information included in Enrollment database 205 includes, but is not limited to: customer name, biller account number, address, home phone, office phone, fax number, pager number, social security number, date of birth, maiden name, a 'password'; a preferred presentment vehicle (channel of distribution) and alternate presentment vehicles; customer presentment preferences (e.g., present my bill as soon as available, at the end of month, exception presentment (only present my bill if dollar amount exceeds a limit, otherwise automatically pay the bill, generate a paper bill if condition X occurs . . .)); presentment configuration data (e.g., Email address, Email system/protocol, browser type and version . . .); bill format preferences (e.g., send me summary only, partial details, full details . . .); **reminder preferences** (e.g., as soon as possible, at end of month, 5 days before due date, **on due date**, 5 day late, no reminder . . .); reminder channel (e.g., email, paper mail, fax, phone call, beeper . . .); preferred payment mechanism, a plurality of (e.g., nine) alternate payment mechanisms (i.e., IIP 20 needs to know all the payment options with respect to the client); **payment preferences** (e.g., preauthorized, **on due date**, at end of month, full or fixed amount, automatic within limit); and solicitation preferences (e.g., no solicitations, by industry (airlines, investments, . . .); balance information (provided by a bank), credit limits (defined by the issuer) and other limits (defined by the customer 80).

The structure and content of the Summary file 210 and the E-Bill file 215 varies from biller to biller. The Summary file includes the highest level representation of the customer's bill. Examples of the type of data included in the Summary file 210 are the customer's name, account number, location (address) of the bill destination, account balance, current amount due, amount past due, and minimum due.⁴³ (Emphasis added)

Nowhere in the above text, or in any other section, does Ensel appear to discuss calculating a due date. Ensel mentions an Enrollment database 205 storing reminder preferences and payment preferences including a due date, but appears to be silent regarding a structure for calculation of the due date. Therefore, Heckman, Giannini and Ensel, alone or in combination, do not appear to teach or suggest a means for calculating a due date for completion of a task as presently claimed.

Furthermore, the Examiner has failed to establish *prima facie* obviousness for lack of evidence of motivation to combine the references. The Examiner's assertion that "[i]t would have been obvious" to combine the references is merely a conclusory statement and not evidence.⁴⁴ As such, claim 29 is fully patentable over the cited references and the rejection should be withdrawn.

⁴³ Ensel, column 10, lines 21-56.

⁴⁴ Office Action, June 3, 2003, page 5, section 4, line 6.

12. Group 12 (claim 11) is fully patentable over Heckman

Claim 11 depends from the claim 8 and thus contains all of the limitations of the claim 8. Consequently, the arguments presented above in support of the patentability of claim 8 (group 2) are incorporated hereunder in support of group 12.

Claim 11 provides a means for receiving a selection of a firm associated with a second budget database. In contrast, the Examiner has admitted that Heckman does not teach a means for receiving a selection of a firm associated with a second database.⁴⁵ Furthermore, the Examiner has not provided any evidence of motivation to modify Heckman to add a structure for receiving a selection. Despite the assertion by the Examiner, column 4, line 60 thru column 5, line 33 of Heckman appears to be silent regarding a means for selecting a firm. The text cited by the Examiner reads:

Accordingly, it is an object of this invention to provide a closed-loop strategic planning system with the advantage of maximizing the likelihood of a desired legal outcome in connection with a legal action.

It is another object of this invention to provide a closed-loop cost management and control system for measuring and controlling legal costs associated with a legal action with the advantage that it is easily understood and tracked by the purchaser of the legal services, the cost control system being integral to the closed-loop strategic planning system and working in cooperation with the strategic planning system.

It is another object of this invention to provide a closed-loop litigation control system for measuring and controlling the timely completion of the objectives and tasks identified by the strategic planning system with the advantage of ensuring that all predetermined objectives and tasks are completed on schedule.

It is another object and advantage of this invention to provide a closed-loop legal performance control system to assess the quality of deliverables previously identified with and correlated to the completion of the predetermined objectives and tasks identified by the strategic planning system of this invention, the assessment being made by comparing the deliverables produced to benchmarks.

It is another object and advantage of this invention to provide a computer system having encoded therein a software program for enabling an iterative, interactive closed-loop legal strategic planning system to produce a legal strategic plan to maximize the likelihood of attaining the desired outcome to the case, and for establishing closed-loop control systems for controlling the timely completion of legal objectives and tasks, for controlling costs associated with the completion of these objectives and tasks, and for controlling the quality of deliverables resulting from the completion of these objectives and tasks.

⁴⁵ Office Action, June 3, 2003, page 3, lines 13-15.

It is another object of this invention to provide a method for strategically planning the objectives, tasks, and activities associated with a legal action so that the likelihood of the desired outcome of such legal activity is maximized and the cost of achieving the desired outcome is minimized.⁴⁶

Nowhere in the above text, or in any other section, does Heckman appear to mention a structure for receiving a selection of a firm associated with a database. Therefore, the Examiner has failed to establish *prima facie* obviousness for lack of evidence for every claim element. As such, claim 11 is fully patentable over the cited references and the rejection should be reversed.

13. Group 13 (claim 23) is fully patentable over Heckman and Giannini

Claim 23 depends indirectly from the claim 21 and thus contains all of the limitations of the claim 21. Consequently, the arguments presented above in support of the patentability of claim 21 (group 3) are incorporated hereunder in support of group 13.

Claim 23 provides a step of checking whether the task has been completed before approving payment of the bill. In contrast, Heckman and Giannini both appear to be silent regarding a check for task completion before approving payment of a bill. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a capability to check for completion. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a step of checking whether the task has been completed before approving payment of the bill as presently claimed. As such, claim 23 is fully patentable over the cited references and the rejection should be reversed.

⁴⁶ Heckman, column 4, line 60 thru column 5, line 33.

14. Group 14 (claim 24) is fully patentable over Heckman and Giannini

Claim 24 depends directly from the claim 21 and thus contains all of the limitations of the claim 21. Consequently, the arguments presented above in support of the patentability of claim 21 (group 3) are incorporated hereunder in support of group 14.

Claim 24 provides a step of not approving payment in response to an authorized amount being less than a billing amount. In contrast, Heckman and Giannini both appear to be silent regarding not approving payment. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a capability to not authorize payment. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a step of not approving payment in response to an authorized amount being less than a billing amount as presently claimed. As such, claim 24 is fully patentable over the cited references and the rejection should be reversed.

15. Group 15 (claim 25) is fully patentable over Heckman and Giannini

Claim 25 depends directly from the claim 21 and thus contains all of the limitations of the claim 21. Consequently, the arguments presented above in support of the patentability of claim 21 (group 3) are incorporated hereunder in support of group 15.

Claim 25 provides that a bill comprises an electronic spreadsheet. Despite the assertion by the Examiner, column 4, line 29 thru column 5, line 62 of Giannini do not mention an electronic spreadsheet. The text cited by the Examiner reads:

The present invention relates to a method and system of encoding and processing healthcare provider billing, more particularly, a computer assisted network for encoding, documenting and processing claims for a payment of specific procedures by alternative therapy providers, grouped geographically and by specialty. The system employs a computer accessing three main databases for identifying, encoding and calculation of costs of provider services. A resulting Alternative Billing Code (ABC) is produced which can be compared and correlated with insurance industry standard codes. The ABC has the attribute of conveying multiple levels of information through alpha-numeric characters in a consistent manner which allows easy

interpretation of the code. The ABC is an assembly of terms from three additional tables of terms stored in databases in the system, namely tables of Standard Alternative Procedure Descriptions (SAPDs), merged Provider Average Rates (PARs) and Relative Value Units (RVUs).

The SAPD is a database of terms of standard vocabulary and terminology used to describe alternative treatments for communication within the system. Expanded definitions for each SAPD will exist in a separate subdatabase within an ABC or SAPD field of each database for publication of the entire coding system.

The Provider Average Rate (PAR) is the average cost for a procedure performed by a hypothetical provider grouped by specialty and region. The PAR is calculated by taking a sampling of groups of at least 20 actual providers in a predetermined profession or specialty and geographical area and calculating an average rate for each procedure used. The highest and lowest 10% of provider charges are eliminated before the average rate is calculated.

RVU is a value unit given to a particular procedure, good or service which equates any one service relative to the value of all other services. A conversion factor is used to convert an RVU into a payment amount which is acceptable to all parties, the payer and the provider. When a provider becomes a member of a network using the ABC, the provider agrees to a set of conversion factors used by a payer, i.e. payment units, namely a fixed number of dollars. The relative cost of a procedure is derived by assigning a conversion factor for each branch of medicine, surgery, pathology, and radiology, coded M, S, P and R respectively. Data on existing conversion factors based on codes that crossover between conventional medicine and complementary medicine may be used to establish RVU conversion factors with a payer.

However, Relative Value Units (RVUs) may also be developed by surveying the prevalent provider service charges in an area where no data exists. The PAR is divided by the prevalent payer conversion factor as negotiated and according to the terms of a Provider Service Agreement under which a provider abides in order to use the RVU and associated conversion factor as offered by the payer. The conversion factor and RVU are each stored in an RVU database which contains every conversion factor rate for each payer as negotiated.

To make claim for payment under the system, a claim form from an alternative provider may be submitted by paper or by electronic transmission to a central database using the ABC or SAPD. The provider identifies the payer and the state wherein the claim for payment is filed. Such information is input into the computer assisted system and processed so as to retrieve from the RVU conversion factor database the conversion factor linked with the appropriate SAPD and policy plan, whereupon a price figure is calculated for the associated procedure ($RVU \times \text{conversion factor}$).

The system then checks to see if the procedure is within the allowed scope of practice of the provider in the state where the claim was filed. Each provider using this system will have a list of allowed charges for the state in which the provider practices and a corresponding code to attach.

The system encourages alternative providers to join a managed care network using the ABC coding system to ascertain rates for services by 1) providing a provider's patient with the broadest possible coverage for alternative treatment claims and 2) assuring access by large populations subscribing to a particular payer to member alternative providers, thereby increasing the provider's patient base and in turn income. If the provider is not a member of such a network, any charges from the provider above the payer's usual and customary fee schedule, or all charges as in the case of an HMO, will become the liability of the patient.

Accordingly, it is a principal object of the invention to provide a comprehensive encoding system for handling payment claims made by alternative healthcare providers so that they have access to managed care contracts.

It is another object of the invention to provide a system in which provider price input conveys cost average information of a group of peer providers, particularly when no data otherwise exists for rates in a given geographic location or state.

Still another object of the invention is to provide a series of standardized terms corresponding to training standards to thereby create the SAPD and to organize this information so that alternative providers, as well as payers, can retrieve the information easily.

These and other objects of the invention will become readily apparent upon further review of the following specifications and drawings.⁴⁷

Nowhere in the above text, or in any other section, does Giannini mention a spreadsheet. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a bill comprising an electronic spreadsheet as presently claimed. As such, claim 25 is fully patentable over the cited references and the rejection should be reversed.

16. Group 16 (claim 31) is fully patentable over Heckman and Giannini

Claim 31 depends directly from the claim 21 and thus contains all of the limitations of the claim 21. Consequently, the arguments presented above in support of the patentability of claim 21 (group 3) are incorporated hereunder in support of group 16.

Claim 31 provides a step of approving payment of the authorized amount in response to the billing amount exceeding the authorized amount. In contrast, Heckman and Giannini both appear to be silent regarding an approval of payment different than a billed amount. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a capability to approve a payment different than the billed amount. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a step of approving payment of an authorized amount in response to a billing amount exceeding the authorized amount as presently claimed. As such, claim 31 is fully patentable over the cited references and the rejection should be reversed.

⁴⁷ Giannini, column 4, line 29 thru column 5, line 62.

17. Group 17 (claim 17) is fully patentable over Heckman and Giannini

Claim 17 depends indirectly from the claim 15 and thus contains all of the limitations of the claim 15. Consequently, the arguments presented above in support of the patentability of claim 15 (group 4) are incorporated hereunder in support of group 17.

Claim 17 provides a means for checking whether a task has been completed before approving payment of a bill. In contrast, Heckman and Giannini both appear to be silent regarding a check for task completion before approving payment of a bill. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a structure to check for completion. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for checking whether a task has been completed before approving payment of a bill as presently claimed. As such, claim 17 is fully patentable over the cited references and the rejection should be reversed.

18. Group 18 (claim 18) is fully patentable over Heckman and Giannini

Claim 18 depends directly from the claim 15 and thus contains all of the limitations of the claim 15. Consequently, the arguments presented above in support of the patentability of claim 15 (group 4) are incorporated hereunder in support of group 18.

Claim 18 provides a means for not approving payment in response to an authorized amount being less than a billing amount. In contrast, Heckman and Giannini both appear to be silent regarding not approving payment. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a structure to not approve payment. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for not approving

payment in response to an authorized amount being less than a billing amount as presently claimed. As such, claim 18 is fully patentable over the cited references and the rejection should be reversed.

19. Group 19 (claim 19) is fully patentable over Heckman and Giannini

Claim 19 depends directly from the claim 18 and thus contains all of the limitations of the claim 18. Consequently, the arguments presented above in support of the patentability of claim 18 (group 18) are incorporated hereunder in support of group 19.

Claim 19 provides a means for automatically generating a communication in response to not approving payment. In contrast, Heckman and Giannini both appear to be silent regarding generating a communication in response to not approving payment. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a structure to generate a communication in response to not approving payment. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for automatically generating a communication in response to not approving payment as presently claimed. As such, claim 19 is fully patentable over the cited references and the rejection should be reversed.

20. Group 20 (claim 20) is fully patentable over Heckman and Giannini

Claim 20 depends directly from the claim 15 and thus contains all of the limitations of the claim 15. Consequently, the arguments presented above in support of the patentability of claim 15 (group 4) are incorporated hereunder in support of group 20.

Claim 20 provides that the bill comprises an electronic spreadsheet. Despite the assertion by the Examiner, column 4, line 29 thru column 5, line 62 of Giannini do not mention an electronic spreadsheet. The text cited by the Examiner reads:

The present invention relates to a method and system of encoding and processing healthcare provider billing, more particularly, a computer assisted network for encoding, documenting and processing claims for a payment of specific procedures by alternative therapy providers, grouped geographically and by specialty. The system employs a computer accessing three main databases for identifying, encoding and calculation of costs of provider services. A resulting Alternative Billing Code (ABC) is produced which can be compared and correlated with insurance industry standard codes. The ABC has the attribute of conveying multiple levels of information through alpha-numeric characters in a consistent manner which allows easy interpretation of the code. The ABC is an assembly of terms from three additional tables of terms stored in databases in the system, namely tables of Standard Alternative Procedure Descriptions (SAPDs), merged Provider Average Rates (PARs) and Relative Value Units (RVUs).

The SAPD is a database of terms of standard vocabulary and terminology used to describe alternative treatments for communication within the system. Expanded definitions for each SAPD will exist in a separate subdatabase within an ABC or SAPD field of each database for publication of the entire coding system.

The Provider Average Rate (PAR) is the average cost for a procedure performed by a hypothetical provider grouped by specialty and region. The PAR is calculated by taking a sampling of groups of at least 20 actual providers in a predetermined profession or specialty and geographical area and calculating an average rate for each procedure used. The highest and lowest 10% of provider charges are eliminated before the average rate is calculated.

RVU is a value unit given to a particular procedure, good or service which equates any one service relative to the value of all other services. A conversion factor is used to convert an RVU into a payment amount which is acceptable to all parties, the payer and the provider. When a provider becomes a member of a network using the ABC, the provider agrees to a set of conversion factors used by a payer, i.e. payment units, namely a fixed number of dollars. The relative cost of a procedure is derived by assigning a conversion factor for each branch of medicine, surgery, pathology, and radiology, coded M, S, P and R respectively. Data on existing conversion factors based on codes that crossover between conventional medicine and complementary medicine may be used to establish RVU conversion factors with a payer.

However, Relative Value Units (RVUs) may also be developed by surveying the prevalent provider service charges in an area where no data exists. The PAR is divided by the prevalent payer conversion factor as negotiated and according to the terms of a Provider Service Agreement under which a provider abides in order to use the RVU and associated conversion factor as offered by the payer. The conversion factor and RVU are each stored in an RVU database which contains every conversion factor rate for each payer as negotiated.

To make claim for payment under the system, a claim form from an alternative provider may be submitted by paper or by electronic transmission to a central database using the ABC or SAPD. The provider identifies the payer and the state wherein the claim for payment is filed. Such information is input into the computer assisted system and processed so as to retrieve from the RVU conversion factor database the conversion factor linked with the appropriate SAPD and policy plan, whereupon a price figure is calculated for the associated procedure (RVU.times.conversion factor).

The system then checks to see if the procedure is within the allowed scope of practice of the provider in the state where the claim was filed. Each provider using this system will have a list of allowed charges for the state in which the provider practices and a corresponding code to attach.

The system encourages alternative providers to join a managed care network using the ABC coding system to ascertain rates for services by 1) providing a provider's patient with the broadest possible coverage for alternative treatment claims and 2) assuring access by large populations subscribing to a particular payer to member alternative providers, thereby increasing the provider's patient base and in turn income. If the

provider is not a member of such a network, any charges from the provider above the payer's usual and customary fee schedule, or all charges as in the case of an HMO, will become the liability of the patient.

Accordingly, it is a principal object of the invention to provide a comprehensive encoding system for handling payment claims made by alternative healthcare providers so that they have access to managed care contracts.

It is another object of the invention to provide a system in which provider price input conveys cost average information of a group of peer providers, particularly when no data otherwise exists for rates in a given geographic location or state.

Still another object of the invention is to provide a series of standardized terms corresponding to training standards to thereby create the SAPD and to organize this information so that alternative providers, as well as payers, can retrieve the information easily.

These and other objects of the invention will become readily apparent upon further review of the following specifications and drawings.⁴⁸

Nowhere in the above text, or in any other section, does Giannini mention a spreadsheet. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a bill comprising an electronic spreadsheet as presently claimed. As such, claim 20 is fully patentable over the cited references and the rejection should be reversed.

21. Group 21 (claim 30) is fully patentable over Heckman and Giannini

Claim 30 depends directly from the claim 15 and thus contains all of the limitations of the claim 15. Consequently, the arguments presented above in support of the patentability of claim 15 (group 4) are incorporated hereunder in support of group 21.

Claim 30 provides a means for approving payment of an authorized amount in response to a billing amount exceeding the authorized amount. In contrast, Heckman and Giannini both appear to be silent regarding an approval of payment. Furthermore, the Examiner has not provided any evidence that Heckman and/or Giannini have a structure to approve a payment of an authorized amount when a bill exceeds the authorized amount. Therefore, Heckman and Giannini, alone or in combination, do not appear to teach or suggest a means for approving payment of an

⁴⁸ Giannini, column 4, line 29 thru column 5, line 62.

authorized amount in response to a billing amount exceeding the authorized amount as presently claimed. As such, claim 30 is fully patentable over the cited references and the rejection should be reversed.

Groups 1-21 are separately patentable.

During prosecution, each independent and dependent claim is considered to be separately patentable over every other claim.⁴⁹ As such, each of the above groups is considered to be separately patentable over every other group.⁵⁰ In particular, each of the groups includes a unique combination of arguments that allow individual groups to stand over the references even if all of the other groups fall.

Group 2 includes arguments that Heckman does not teach or suggest a structure as presently claimed. Since group 1 does not depend on the structure arguments, group 2 may be found patentable even if group 1 is not.

Group 3 includes an argument that Heckman and Giannini do not teach or suggest a step of receiving a bill. Since groups 1 and 2 do not depend on the receiving step argument, group 3 may be found patentable even if groups 1 and/or 2 are not.

⁴⁹ See, e.g., *Rowe v. Dror*, 42 USPQ2d 1550, 1552 (Fed. Cir. 1997), *Preemption Devices, Inc. v. Minnesota Mining and Manufacturing Company*, 221 USPQ 841, 843 (Fed. Cir. 1984), and *Jones v. Hardy*, 727 F.2d 1524, 1528, 220 USPQ 1021, 1024 (Fed. Cir. 1984) (It is well established that each claim in a patent constitutes a separate invention.).

⁵⁰ M.P.E.P., Eighth Edition, Revised February 2003, §1206.

Group 4 includes an argument that Heckman and Giannini do not teach or suggest a means for determining an authorized amount. Since groups 1-3 do not depend on the determining structure argument, group 4 may be found patentable even if groups 1, 2 and/or 3 are not.

Group 5 includes an argument that Heckman does not teach or suggest a step of generating an authorization form. Since groups 1-4 do not depend on the generating an authorization form step argument, group 5 may be found patentable even if groups 1-3 and/or 4 are not.

Group 6 includes an argument that Heckman, Giannini and Ensel do not teach or suggest a step of calculating a due date. Since groups 1-5 do not depend on the calculating step argument, group 6 may be found patentable even if groups 1-4 and/or 5 are not.

Group 7 includes an argument that Heckman, Giannini and Ensel do not teach or suggest a step of automatically sending an authorization form. Since groups 1-6 do not depend on the automatic sending step argument, group 7 may be found patentable even if groups 1-5 and/or 6 are not.

Group 8 includes an argument that Heckman, Giannini and Ensel do not teach or suggest entering amounts into a third database. Since groups 1-7 do not depend on the entering step argument, group 8 may be found patentable even if groups 1-6 and/or 7 are not.

Group 9 includes an argument that Heckman does not teach or suggest a step of receiving a selection of a firm. Since groups 1-8 do not depend on the receiving a selection step argument, group 9 may be found patentable even if groups 1-7 and/or 8 are not.

Group 10 includes an argument that Heckman does not teach or suggest a means for generating an authorization form. Since groups 1-9 do not depend on the generating an authorization form structure argument, group 10 may be found patentable even if groups 1-8 and/or 9 are not.

Group 11 includes an argument that Heckman, Giannini and Ensel do not teach or suggest a means for calculating a due date. Since groups 1-10 do not depend on the calculating structure argument, group 11 may be found patentable even if groups 1-9 and/or 10 are not.

Group 12 includes an argument that Heckman does not teach or suggest a means for receiving a selection of a firm. Since groups 1-11 do not depend on the receiving a selection structure argument, group 12 may be found patentable even if groups 1-10 and/or 11 are not.

Group 13 includes an argument that Heckman and Giannini do not teach or suggest a step of checking for task completion. Since groups 1-12 do not depend on the checking step argument, group 13 may be found patentable even if groups 1-11 and/or 12 are not.

Group 14 includes an argument that Heckman and Giannini do not teach or suggest a step of not approving payment. Since groups 1-13 do not depend on the not approving step argument, group 14 may be found patentable even in groups 1-12 and/or 13 are not.

Group 15 includes an argument that Heckman and Giannini do not teach or suggest an electronic spreadsheet. Since groups 1-14 do not depend on the spreadsheet argument, group 15 may be found patentable even if groups 1-13 and/or 14 are not.

Group 16 includes an argument that Heckman and Giannini do not teach or suggest a step of approving payment. Since groups 1-15 do not depend on the approving payment step argument, group 16 may be found patentable even if groups 1-14 and/or 15 are not.

Group 17 includes an argument that Heckman and Giannini do not teach or suggest a means for checking for task completion. Since groups 1-16 do not depend on the checking structure argument, group 17 may be found patentable even if groups 1-15 and/or 16 are not.

Group 18 includes an argument that Heckman and Giannini do not teach or suggest a means for not approving payment. Since groups 1-17 do not depend on the not approving structure argument, group 18 may be found patentable even if groups 1-16 and/or 17 are not.

Group 19 includes an argument that Heckman and Giannini do not teach or suggest a means for automatically generating a communication. Since groups 1-18 do not depend on the communication generating structure, group 19 may be found patentable even if groups 1-17 and/or 18 are not.

Group 20 includes an argument that Heckman and Giannini do not teach or suggest an electronic spreadsheet. Since groups 1-14 and 16-19 do not depend on the spreadsheet argument and group 15 depends from a different independent claim, group 20 may be found patentable even if groups 1-18 and/or 19 are not.

Group 21 includes an argument that Heckman and Giannini do not teach or suggest a means for approving payment. Since groups 1-15 and 17-20 do not depend on the approving payment structure argument and group 16 depends from a different independent claim, group 21 may be found patentable even if groups 1-19 and/or 20 are not.

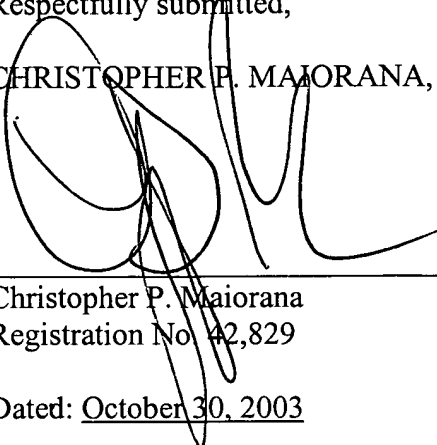
B. CONCLUSION

The Examiner has failed to establish that the combined cited references teach or suggest every element as presently claimed. Furthermore, the Examiner has failed to provide any evidence of motivation to combine and/or modify the references. Hence, the Examiner has clearly erred with respect to the patentability of the claimed invention. It is respectfully requested that the Board overturn the Examiner's rejection of all pending claims, and hold that the claims are not

rendered obvious by the cited references. However, should the Board find the arguments herein in support of independent claims 1, 8, 15 and/or 21 unpersuasive, the Board is respectfully requested to carefully consider the arguments set forth above in support of each of the independently patentable groups.

Respectfully submitted,

CHRISTOPHER P. MAIORANA, P.C.

A large, stylized handwritten signature in black ink, appearing to read 'CPM', is written over a horizontal line.

Christopher P. Maiorana
Registration No. 42,829

Dated: October 30, 2003

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IX. APPENDIX

The claims of the present application which are involved in this appeal are as follows:

1 1. A method for operating a computer-based accounts payable system, said
2 method comprising the steps of:

3 a. receiving into said system an approval for authorizing a particular billing code
4 of a first plurality of billing codes each having a first budget amount stored in a first database;

5 b. determining whether said particular billing code is present in a second
6 database comprising a second plurality of billing codes each having a second budget amount;

7 c. generating a communication from said system authorizing said second budget
8 amount associated with said particular billing code in response to said particular billing code
9 matching one of said second plurality of billing codes; and

10 d. generating said communication authorizing said first budget amount
11 associated with said particular billing code in response to said particular billing code matching none
12 of said second plurality of billing codes.

1 2. The method of claim 1, wherein said particular billing code is associated with
2 a task.

1 3. The method of claim 2, further comprising the step of:
2 generating an authorization form for said task before determining whether said
3 particular billing code is present in said second database.

4. The method of claim 1, further comprising the step of:
receiving a selection of a firm associated with said second budget database prior to
determining whether said particular billing code is present in said second database.

5. Cancelled

6. Cancelled

7. Cancelled

8. A computer-based system for handling accounts payable, said system
comprising:
means for receiving an approval comprising a particular billing code of a first
plurality of billing codes each having a first budget amount stored in a first database;
means for determining whether said particular billing code is present in a second
database comprising a second plurality of billing codes each having a second budget amount;
means for authorizing said second budget amount associated with said particular
billing code in response to said particular billing code matching one of said second plurality of
billing codes; and

10 means for authorizing said first budget amount associated with said particular billing
11 code in response to said particular billing code matching none of said second plurality of billing
12 codes.

1 9. The system of claim 8, wherein said particular billing code is associated with
2 a task.

1 10. The system of claim 9, further comprising:
2 means for generating an authorization form for said task.

1 11. The system of claim 8, further comprising:
2 means for receiving a selection of a firm associated with said second database.

12. Cancelled

13. Cancelled

14. Cancelled

1 15. A computer-based system for handling accounts payable, said system
2 comprising:

3 means for receiving a bill comprising a billing code and a billing amount associated
4 with said billing code;

5 means for determining an authorized amount associated with said first billing code
6 from a database; and

7 means for approving payment of said billing amount in response to said billing
8 amount not exceeding said authorized amount.

1 16. The system of claim 15, wherein said billing code is associated with a task.

1 17. The system of claim 16, further comprising:

2 means for checking whether said task has been completed before approving payment
3 of said bill.

1 18. The system of claim 15, further comprising:

2 means for not approving payment in response to said authorized amount being less
3 than said billing amount.

1 19. The system of claim 18, further comprising:

2 means for automatically generating a communication in response to not approving
3 payment.

1 20. The system of claim 15, wherein said bill comprises an electronic spreadsheet.

1 21. A method for operating a computer-based system for handling accounts
2 payable, said method comprising the steps of:

3 a. receiving into said system a bill comprising a billing code and a billing
4 amount associated with said billing code;

5 b. determining an authorized amount associated with said billing code from a
6 database; and

7 c. generating an approval from said system for payment of said billing amount
8 in response to said billing amount not exceeding said authorized amount.

1 22. The method of claim 21, wherein said billing code is associated with a task.

1 23. The method of claim 22, further comprising the step of:
2 checking whether said task has been completed before approving payment of said bill.

1 24. The method of claim 21, further comprising the step of:
2 not approving payment in response to said authorized amount being less than said
3 billing amount.

1 25. The method of claim 21, wherein said bill comprises an electronic
2 spreadsheet.

1 26. The method of claim 3, further comprising the step of:
2 calculating a due date for completion of said task.

1 27. The method of claim 26, further comprising the step of:
2 automatically sending said authorization form with said due date to a selected firm.

1 28. The method of claim 27, further comprising the step of:
2 entering one of said first budget amount and said second budget amount into a third
3 database.

1 29. The system of claim 10, further comprising:
2 means for calculating a due date for completion of said task.

1 30. The system of claim 15, further comprising:
2 means for approving payment of said authorized amount in response to said billing
3 amount exceeding said authorized amount.

1 31. The method of claim 21, further comprising the step of:
2 approving payment of said authorized amount in response to said billing amount
3 exceeding said authorized amount.